

GENERAL CONDITIONS FOR SERVICES (Short)
Document 00700

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ARTICLE 1 -- GENERAL PROVISIONS

1.1 INTENT

- 1.1.1 The intent of the Contract Documents is to set forth the standards of services, the guarantees that are to be met, and to include items necessary for proper execution and completion of the Work. The Contract Documents are complementary and what is required by one will be as binding as if required by all. Performance by the Contractor shall be required to the extent consistent with the Contract Documents and reasonably inferable as necessary to produce indicated results.

ARTICLE 2 -- OWNER

2.1 LAND

- 2.1.1 The Owner will provide the lands upon which the Work shall be performed. The Owner will provide a right-of-way for access to the project site.

2.2 OWNER'S RIGHT TO CARRY OUT THE WORK

- 2.2.1 If the Contractor defaults or neglects to perform the Work in accordance with the Contract Documents, including the requirements with respect to the schedule of completion, and fails after ten days written notice from the Owner to correct the deficiencies, the Owner may deduct the cost thereof from the payment then or thereafter due the Contractor.

ARTICLE 3 -- CONTRACTOR

3.1 GENERAL

- 3.1.1 The Contractor shall perform the Work in accordance with the Contract Documents. Contract Documents include all specifications, any drawings, the Agreement, the Purchase Order, the Quote, and all contract forms and conditions as part of package issued to the Contractor prior to commencing the Work.
- 3.1.2 The Contractor shall furnish labor, supplies, products, equipment, and transportation necessary for the proper execution of the Work unless specifically noted otherwise. The Contractor shall do all the Work shown on any drawings and described in specifications and all incidental work considered necessary to complete the project in a substantial and acceptable manner by the Owner.
- 3.1.3 The Contractor shall cooperate with the Owner, inspectors, and with other Owner representatives.
- 3.1.4 The Contractor shall determine that the final and completed Work on the project is in accordance with the Contract Documents. The failure of the Owner to find or correct errors or omissions in the use of products, supplies or work methods during the progress of the Work shall not relieve the Contractor from his responsibility to correct all the defects in the project.

3.2 REVIEW OF FIELD CONDITIONS

- 3.2.1 Before doing Work, the Contractor shall verify general surface site conditions involved with the Work

- 3.2.2 Drawings may or may not show the location or existence of certain exposed and buried utilities as well as existing surface and subsurface structures. The Owner assumes no responsibility for failure to show any or all such utilities and structures on the Drawings or to show such in the exact location. It is mutually agreed such failure will not be considered sufficient basis for claims for extra work or for increasing the pay quantities in any manner unless the obstruction encountered necessitates substantial changes in the Work.

3.3 REVIEW OF CONTRACT DOCUMENTS

- 3.3.1 The Contractor shall study and compare any drawings, specifications, and other instructions and shall report to the Owner at once any error, inconsistency, or omission discovered.
- 3.3.2 Since the Contract Documents are complementary, the Contractor shall take no advantage of any apparent error or omission in the drawings and specifications. The Owner shall furnish interpretations as deemed necessary for the fulfillment of the intent of the drawings and specifications.

3.4 LABOR, PRODUCTS AND SUPPLIES

- 3.4.1 Except as otherwise specifically stated in the Contract, the Contractor shall provide, but not be limited to, all supplies, labor, tools, equipment, water, light, heating and cooling, power, transportation, superintendence, temporary construction of every nature, taxes legally collectible because of the Work, and all other services and facilities of every nature whatsoever necessary to complete the Work in accordance with the Contract Documents in an orderly and efficient manner. The sequence of service operations shall follow the schedule of as approved by the Owner. The Work shall not be discontinued by the Contractor without approval of the Owner. Should prosecution of the Work be discontinued for any reason, the Contractor shall notify the Owner at least twenty-four hours in advance of resuming the Work.
- 3.4.2 Any supplies and equipment furnished under this Contract will be subject to inspection by the Owner's authorized representative or by independent laboratories. Defective supplies, equipment, or workmanship may be rejected at any time before the acceptance of the Work even though the defective supplies, equipment, or workmanship may have been previously overlooked and estimated for payment. The Contractor shall replace defective equipment and supplies in accordance with the Contract Documents at no additional cost to the Owner.
- 3.4.3 The Contractor shall provide supplies not subject to conditional sales agreements, or other agreement reserving unto the seller any right, title, or interest therein. All supplies incorporated into the Work shall become the property of the Owner upon final acceptance of this Contract by the Owner.

3.5 UNAUTHORIZED WORK

- 3.5.1 Work done without drawings, specifications or as provided by the Owner, except as provided herein, and Work completed without proper inspection and supervision or any extra or unclassified work completed without written authority and prior agreement shall be at the Contractor's risk. Such unauthorized work, at the option of the Owner, may not be measured and paid for and may be ordered removed at the Contractor's expense.

3.6 PROJECT MANAGEMENT

- 3.6.1 The Contractor shall supervise and direct the Work. The Contractor shall be solely responsible for service means, methods, techniques, sequences, and procedures and for coordinating portions of the Work under the Contract.
- 3.6.2 Workmanship shall be performed by workmen experienced in their trade and skilled and experienced for the class of work to which assigned. Any person, including supervisory personnel, who does not show and exhibit skill and proficiency in said work shall be removed by the Contractor and replaced by a competent and experienced workman
- 3.6.3 The Contractor shall, at all times, be responsible for the conduct and discipline of his employees and all Subcontractors and their employees. Disorderly, incompetent or intemperate persons, or persons who commit any crimes or trespass on public or private property in the vicinity of the Work must not be allowed to continue working upon the project.

3.7 PERMITS, FEES, AND NOTICES

- 3.7.1 The Contractor shall purchase and secure all applicable permits and licenses and give all notices necessary and incidental to the prosecution of the Work. However, in accordance with Ark. Code Ann. §22-9-213, public

works construction projects conducted state agencies are exempt from permit fees or inspection requirements of county or municipal ordinances.

- 3.7.2 When service under the Contract includes accesses or crosses highways, railroads, streets or utilities under the jurisdiction of the state, county, city, or other public agency, public utility, or private entity, the Contractor shall secure written permission from the proper authority before executing such work. A copy of this written permission shall be filed with the Owner before any Work is completed. The Contractor shall furnish a release from the proper authority before final acceptance of the Work. Any bonds required for this Work shall be secured and paid for by the Contractor.

3.8 SAMPLES AND TESTS

- 3.8.1 The Contractor shall provide samples, supplies, and equipment necessary or required for testing as outlined in the various sections of the specifications or as directed by the Owner. The Contractor shall pay all costs for testing. Should products, supplies, methods, or systems fail to meet specified standards, the Contractor shall pay all costs for additional testing as required by the Owner.

- 3.8.2 All tests shall be made by a laboratory approved by the Owner.

3.9 LIMITS OF WORK

- 3.9.1 The Contractor shall conduct Work and operations so as to cause a minimum of inconvenience to the public. At any time when, in the opinion of the Owner, the Contractor is obstructing a larger portion of a road, street, or other public right-of-way than is necessary for the proper execution of the Work, the Owner may require the Contractor to finish the sections on which Work is in progress before work is commenced on any new sections.

3.10 WARRANTY

- 3.10.1 The Contractor shall warrant that all Work, products, supplies, and equipment furnished will be free from defects in design, materials, and workmanship and will give successful service under the conditions required. The warranty period for Work, products, supplies, and equipment furnished by the Contractor shall be one year from the date of final payment, unless a different period of time is agreed upon in writing by Contractor and Owner.

3.11 CLEANING UP

- 3.11.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove from and about the Project waste materials, rubbish, the Contractor's tools, construction equipment, machinery, and surplus materials.
- 3.11.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and the cost thereof shall be charged to the Contractor.

ARTICLE 4 -- ADMINISTRATION OF CONTRACT

4.1 OWNER AUTHORITY

- 4.1.1 The Owner will interpret the requirements of the Contract Documents and decide matters concerning performance there under on request of the Contractor.
- 4.1.2 The Owner will provide administration of the Contract as described in the Contract Documents. The Owner will decide any and all questions as to the acceptability of products, supplies or equipment furnished, work performed, interpretation of the drawings and specifications, rate of progress of the Work, acceptability of the

ARTICLE 5 -- CHANGES IN THE WORK

5.1 GENERAL

- 5.1.1 The Owner may, as the need arises, without invalidating the Contract, order changes in the Work in the form of additions, deletions, or modifications. Compensation to the Contractor for additional work or to the Owner for deductions in the work and adjustments for the time of completion shall be adjusted at the time of ordering such change.
- 5.1.2 Additional work shall be done as ordered in writing by the Owner. The order shall state the location, character, and amount of extra work. All such work shall be executed under the conditions of the Contract, subject to the same inspections and tests.

- 5.1.3 The Owner reserve and shall have the right to make changes in the Contract Documents and the character or quantity of the work as may be considered necessary or desirable to complete fully and acceptably the proposed Work in a satisfactory manner.

ARTICLE 6 -- TIME

6.1 DEFINITIONS

- 6.1.1 Contract Time is the period of time identified in the Contract Documents for completion of the Work, including any authorized adjustments made as agreed to by the Owner and Contractor.
- 6.1.2 Date for commencement of the Work is the tenth calendar day following the date of mailing, by regular mail, of the Notice to Proceed or signed Purchase Order, unless otherwise stated in the Contract.

6.2 DELAYS

- 6.2.1 Delays beyond the Contractor's control occasioned by an act or omission on the part of the Owner, strikes, fires, additions to the work, delays by any separate contractor employed by the Owner, extremely abnormal weather conditions, or other delays beyond the Contractor's control may, if agreed to by Owner, entitle the Contractor to an extension of time in which to complete the Work. While such delays may be just cause for an extension of the Contract Time, the Contractor shall not have a claim for damages for any such cause or delay.

ARTICLE 7 -- PAYMENTS AND COMPLETION

7.1 CONTRACT SUM

- 7.1.1 The Contractor shall accept the compensation, as herein provided, in full payment for furnishing all supplies, equipment, labor, tools, and incidentals necessary to complete the Work and for performing all Work contemplated and embraced under the Contract; also for loss or damage arising from the nature of the Work, from the action of the elements or from any unforeseen difficulties which may be encountered during the prosecution of the Work until the final acceptance by the Owner and for all risks of every description connected with the prosecution of the Work, for all expenses incurred in consequence of the suspension or discontinuance of the Work as specified, for any infringement of patent, trademark, or copyright, and for completing the Work according to the Contract Documents. Neither the payment of any estimate nor of any retained percentage shall relieve the Contractor of any obligation to make good any defective work or material.
- 7.1.2 No moneys payable under Contract or any part thereof shall become due and payable if the Owner so elects until the Contractor shall satisfy the said Owner that he has fully settled or paid for all supplies and equipment used in or on the Work and labor done in connection therewith, and the Owner, if he so elects, may pay any or all such bills wholly or in part and deduct the amount or amounts so paid from any monthly or final estimate excepting the first estimate.

7.2 REQUESTS FOR PAYMENT

- 7.2.1 The Contractor may submit periodically, but not more often than once each month, a Request for Payment for work completed. When unit prices are specified in the Contract Documents, the Request for Payment shall be based on the quantities completed.
- 7.2.2 The Contractor shall furnish the Owner all reasonable facilities and job tickets required for obtaining the necessary information relative to the progress and execution of the Work and the measurement of quantities. Each Request for Payment shall be computed from the work completed and accepted.

7.3 PAYMENT FOR UNCORRECTED WORK

- 7.3.1 Should the Owner direct the Contractor not to correct work that has been damaged or that was not performed in accordance with the Contract Documents, an equitable deduction from the Contract Sum shall be made to compensate the Owner for the uncorrected work.

7.4 PAYMENT FOR REJECTED WORK

- 7.4.1 The rejected work elements or portions of the Work and the re-execution of acceptable work by the Contractor shall be at the expense of the Contractor. The Contractor shall pay the cost of replacing the work of other contractors destroyed or damaged by the removal of the rejected work and the subsequent replacement with acceptable work.

7.5 FINAL INSPECTION

7.5.1 Tests, inspections, and approvals of portions of the Work required by the Contract Documents, laws, ordinances, or any public authority having jurisdiction shall be made at the appropriate time. The Contractor shall give the Owner timely notice of when and where tests and inspections shall be made so that the Owner may be present. The Contractor shall make arrangements for the testing and inspection with an independent testing laboratory.

7.5.2 The Contractor shall ensure that the final completed Work is in accordance with the Contract Documents. Required certificates of testing and inspection shall be secured by the Contractor and delivered to the Owner, unless otherwise required by the Contract Documents.

7.6 ASSIGNMENT OF WARRANTIES

7.6.1 All warranties of products, supplies and workmanship running in favor of the Contractor shall be transferred and assigned to the Owner on completion of the Work and at such time as the Contractor receives final payment.

7.6.2 In case of warranties covering work performed by subcontractors, such warranties shall be addressed to and in favor of the Owner. The Contractor shall be responsible for delivery of such warranties to the Owner prior to final acceptance of the Work.

7.6.3 Delivery of guarantees or warranties shall not relieve the Contractor from any obligation assumed under any provision of the Contract. All warranties shall be for one year from the date of final payment, unless extended otherwise.

7.7 ACCEPTANCE AND FINAL PAYMENT

7.7.1 Upon receipt of written notice that the Work is ready for final inspection, the Owner will conduct such inspection and when the Owner determines the Work is acceptable, Owner shall certify his acceptance. Final payment shall be the Contract Sum plus approved additions less approved deductions and less previous payments made. The Contractor shall furnish evidence that he has fully paid all debts for labor, supplies, and equipment incurred in connection with the Work. The Owner after receipt of all documentation to be provided by the Contractor will accept the Work and release the Contractor, except as to the conditions of any legal rights of the Owner, required guarantees and correction of faulty work after final payment, and shall authorize payment of the Contractor's final request for payment. The Contractor must allow sufficient time between the time of completion of the Work and approval of the final request for payment for the Owner to assemble and check the necessary data.

7.7.2 Acceptance of final payment by the Contractor shall constitute waiver of all claims by the Contractor except those previously made in writing and identified by the Contractor as unsettled at the time of the final request for payment. Any claims for interest on delinquent payments shall be made pursuant to Ark. Code Ann. § 22-9-205.

ARTICLE 8 -- PROTECTION OF PERSONS AND PROPERTY

8.1 GENERAL

8.1.1 The Contractor shall at all times exercise precaution for the safety of employees on the Project and of the public, and shall comply with all applicable provisions of federal, state and municipal safety laws and applicable building and construction codes. The Contractor shall provide and maintain passageways, guard fences, lights, and other facilities for protection required by all applicable laws. All machinery, equipment, and other physical hazards shall be guarded in accordance with all federal, state or municipal laws or regulations.

8.1.2 The Work, from commencement to completion, and until written acceptance by the Owner, shall be under the charge and control of the Contractor and during such period of control by the Contractor, all risks in connection therewith shall be borne by the Contractor. The Contractor shall make good and fully repair all damages to the Project by reason of the Contractor's negligence, and make good on all injuries to persons caused by any casualty or cause by reason of the Contractor's negligence. The Contractor shall adequately protect adjacent Property as provided by law and the Contract Documents. The Contractor shall hold the State harmless from any and all claims for injuries to persons or for damage to property during the control by the Contractor of the project or any part thereof.

ARTICLE 9 -- INSURANCE AND BONDS

9.1 CONTRACTOR'S LIABILITY INSURANCE

- 9.1.1 The Contractor shall secure and maintain in force during this Contract such insurance as is specified within the Contract Documents, from an insurance company authorized to write the prescribed insurance in the jurisdiction where the Project is located as will protect the Contractor, his subcontractors, and the Owner and the State from claims for bodily injury, death, or property damage which may arise from operations under this Contract. The Contractor shall not commence Work under this Contract until he has obtained all the insurance required, has filed the Certificate of Insurance with the Owner, and the certificate has been approved by the Owner. Each insurance policy shall contain a clause providing that it shall not be canceled by the insurance company without written notice to the Owner of intention to cancel.
- 9.1.2 Workman's Compensation and Employer's Liability Insurance in statutory limits shall be secured and maintained as required by the laws of the State of Arkansas. This insurance shall cover all employees who have performed any of the obligations assumed by the Contractor under these Contract Documents including Employer's Liability Insurance. This insurance shall protect the Contractor against any and all claims resulting from injuries, sickness, disease, or death to employees engaged in work under this Contract.
- 9.1.3 Comprehensive General Liability Insurance, including automobile and truck liability. The Contractor shall procure and maintain during the life of the Contract General Liability Insurance. The Owner shall be indemnified and saved harmless against loss from claims relating to vehicular, personal, personnel, equipment, or supply damages or injuries. Certificate of Insurance shall be furnished for the full limits outlined herein. Hired and non owned automobile insurance for automobiles and trucks shall include hired and non owned automobile coverage.
- 9.1.4 Contractor's Protective Liability Insurance: The Contractor shall indemnify and save harmless the Owner and the State from and against all losses and all suits, claims, demands, judgments, actions, and payments of every description and nature brought or recovered against him by reason of any omission or act of the Contractor, his agents, or employees in the execution of the Work or in the guarding of it. The Contractor shall secure and maintain protective liability insurance in the name of the Owner and the Contractor covering them from contingent liability under this Contract.
- 9.1.5 Builder's Risk and Fire Insurance: If the project includes installations of capital improvements, the Contractor shall procure and maintain during the life of this Contract Builder's Risk Insurance fire, lightning, extended coverage, vandalism, and property theft on the insurable portion of the Project on a 100 percent completed value basis against damage to the equipment, structures, or material. The Owner and the Contractor, as their interests may appear, shall be named as the Insured.
- 9.1.6 Proof of Insurance: The Contractor shall maintain the insurance coverage's required by this contract throughout the term of this contract, and shall furnish the Owner with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of policies. Such certificates shall also contain substantially the following statement: "The insurance covered by this certificate will not be canceled, or materially altered except after 15 days prior written notice has been received by the Owner."

The coverage for this contract shall be as follows:

Worker's Compensation:

- | | |
|--------------------------|-----------------------------------|
| 1. State: | Statutory |
| 2. Applicable Federal: | Statutory |
| 3. Employer's Liability: | \$ 100,000 per Accident |
| | \$ 100,000 Disease, Policy Limit |
| | \$ 100,000 Disease, Each Employee |

Comprehensive General Liability

- | | |
|---|------------------------------|
| General Aggregate: | \$ 1,000,000 |
| Completed Operations to be maintained for one year after final payment: | \$ 250,000 Aggregate |
| Personal Injury | \$ 1,000,000 Each Occurrence |
| Each Occurrence Limit | \$ 1,000,000 Each Occurrence |

- | | |
|--|-----------------------|
| Automobile Liability (including owned, non-owned, and hired vehicles): | \$1,000,000 |
| | Combined Single Limit |

Umbrella Excess Liability

\$ 1,000,000

Owner's and Contractor's Protection Liability:

\$ 1,000,000
Combined Single Limit

ARTICLE 10 -- UNCOVERING AND CORRECTION OF WORK

10.1 DEFECTIVE WORK

10.1.1 Defective Work, whether through the use of defective supplies, the result of poor workmanship, or any other cause, shall be removed within ten days after notice is given by the Owner. The Work and affected products, supplies and equipment shall be removed and replaced as necessary to comply with the Contract Documents without additional cost to the Owner. The fact that the defective Work may have been previously overlooked by the Owner or Owner's representative shall not constitute acceptance.

10.2 REJECTED PRODUCTS

10.2.1 Products or supplies which do not conform to the requirements of the Contract Documents, are not equal to samples approved by the Owner, or are in any way unsuited or unsatisfactory for the purpose for which intended, shall be rejected. Defective products or supplies shall be removed within ten days after notice by the Owner. The products, supplies shall be replaced with new materials as necessary to comply with the Contract Documents at no additional cost to the Owner. The fact that the defective products or supplies may have been previously overlooked by the Owner or Owner's representative shall not constitute acceptance.

10.2.2 Should the Contractor fail to remove and replace rejected products or supplies within the specified ten days after written notice to do so, the Owner may remove and replace the material and deduct the cost from the Contract Sum.

ARTICLE 11 -- MISCELLANEOUS PROVISIONS

11.1 GOVERNING LAW

11.1.1 The Contract shall be governed by the laws and regulations of the STATE OF ARKANSAS. Venue for any administrative action or judicial proceedings shall be Pulaski County, Arkansas. Nothing in these General Conditions shall be construed to waive the sovereign immunity of the STATE OF ARKANSAS or any entities thereof.

11.1.2 The Contractor shall give all notices and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the conduct of the Work. The Contractor shall indemnify and save harmless the Owner and State any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order, or decree whether by himself or his employees.

11.1.3 The Contractor shall comply with the laws of the local, state, and federal government regarding wages and hours of labor.

11.2 WRITTEN NOTICE

11.2.1 Consider as served when delivered in person, sent by certified or registered mail, sent by commercial carrier, or sent by first class US Postal Service to the individual, firm, or corporation or to the last business address of such known to him who serves the notice.

11.3 VERBAL AGREEMENTS

11.3.1 No verbal objection, order, claim, or notice by any of the parties involved to the other parties shall affect or modify any of the terms or obligations contained in the Contract Documents. None of the terms or provisions of the Contract Documents shall be considered waived or modified unless the waiver or modification thereof is in writing, and agreed upon by the parties in the form of a Change Order approved by the Owner, and no evidence shall be introduced in any proceeding of any other waiver or modification.

ARTICLE 12 -- TERMINATION OR SUSPENSION OF THE CONTRACT

12.1 SUSPENSION OF WORK

12.1.1 The Work or any portion thereof may be suspended at any time by the Owner provided that the Owner gives the Contractor written notice of the suspension. The notice shall set forth the date on which the Work is to be suspended and the date on which the Work is to be resumed. The Contractor shall resume the Work upon written notice from the Owner within ten days after the date set forth in the notice of suspension.

12.2 TERMINATION BY OWNER

- 12.2.1 The Owner will have the right to terminate the Contract upon giving ten days written notice of the termination to the Contractor in the event of any default by the Contractor. In the event of termination of the Contract, the Owner may take possession of the Work and of all products, supplies, tools, equipment and machinery thereon and may finish the Work by whatever method he may select.
- 12.2.2 It shall be considered a default by the Contractor whenever he shall become insolvent; declare bankruptcy assigns assets for the benefit of his creditors; fails to provide qualified superintendence, proper products and supplies, competent subcontractors, competent workmen; fails to make prompt payments for labor, products, supplies, or equipment; disregards or violates provisions of the Contract Documents; disregards the Owner's, or Owner's representative's instructions; fails to prosecute the Work according to the approved schedule of completion, including extensions thereof as provided for by approved changes; and fails to start the Work on the date established.
- 12.2.3 The Owner will have the right to terminate the Contract for Convenience and without cause upon giving ten days written notice of the termination to the Contractor. Once notice is received, the Contractor shall: cease all operations as indicated by the written notice and take necessary actions or at the Owner's direction as indicated by the written notice, for the protection and preservation of the Work; and terminate existing subcontractors and purchase orders upon the effective termination date as indicated in the notice and not enter into any contracts involving subcontractors or purchase orders.

If the contract is terminated upon the convenience of the Owner, the Contractor is entitled to receive payment for the Work executed and accepted by the Owner, and the overhead and profit credit amount of 7% of the work that was left to be performed in the contract.

END OF DOCUMENT